

I-5/Highway 99 Alternative Fuels Corridor Project

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Overview of the Alternative Fuels Corridor Project

To help incubate the acceptance of alternative fuels and stimulate private infrastructure investment, WSDOT is exploring opportunities for partnerships with the private sector and other public agencies to establish and promote refueling facilities along the major interstate highways in Washington, particularly along Interstate 5.

Alternative Fuels Corridor Concept

- DOT-owned lands used for alternative fueling stations.
- I-5 Corridor of the Future: federal government support.
- Bundle other environmental features and benefits.
- Fuel type neutrality (biodiesel, electric, hydrogen, CNG).
- Help incubate private sector alternative fuels deployment.



Alternative Fuels Corridor Project Framework

- Agreements
- Federal Designation & Approvals
- Washington State Policies
- Alternative Fuels Corridor Economic Feasibility Analysis
- Alliance Opportunities
- Next Steps

Agreements

- **Washington and British Columbia MOU**

- The State and Province agree to work together to develop a strong and viable alternative fuels network that will benefit both the environment and the economies of the State and Province, supporting projects or programs within their respective jurisdictions that advance the goal of the Highway 99/I-5 Corridor as an alternative fuels corridor.

- **Washington, Oregon and California MOU**

- Washington, Oregon and California DOTs have entered into a Memorandum of Understanding regarding the development of an alternative fuels corridor along Interstate 5.

Federal Designation & Approval

- **Corridor of the Future Designation**

- The I-5 Corridor was designated in 2007 as a Corridor of the Future.
- The tri-state application included the development of alternative fuels distribution along the corridor as a possible interstate initiative.

- **SEP 15**

- Washington, Oregon and California are seeking federal approval under the SEP 15 program to offer alternative fuels to the public on state owned ROW or at safety rest areas.
- The states submitted a joint application on October 6, 2008 to FHWA.

Washington State Policies

- Tax Incentives

- Sales tax exemption on new alternative fuel vehicles.
- Sales and use tax exemption for equipment used for retail sale of E85, biodiesel blends of B20 or higher, and wood biomass fuel blends of at least 20%.
- Sales of fuel delivery vehicles are exempt if at least 75% of the fuel is E85 or biodiesel blend of B20 or higher, or if at least 75% is wood biomass fuel blends containing at least 20% wood biomass fuel.
- B&O tax deduction for retailers of biodiesel, E85 and wood biomass fuel.

- Financial Assistance

- Green Energy Incentive Account is established within the Energy Freedom Program to provide financial support for projects supporting development of a biofuels refueling network along the interstate corridor.

Washington State Policies

- Expedited Permitting
 - Infrastructure improvements subject to SEPA or other license or permit requirements necessary to implement renewable fuel standards must be processed in a defined and efficient manner.
- Executive Orders
 - 07-02 set green-house gas emissions reduction and clean energy economy goals.
 - 05-01 establishes sustainability and efficiency goals for state operations.

Alternative Fuel Corridor Economic Feasibility Analysis

- Washington
 - In 2007, the Legislature directed WSDOT, through the Office of Public-Private Partnerships, to explore the feasibility of distributing alternative fuels along state owned rights of way.
 - The analysis will be completed by December 2008.
 - The economic feasibility analysis will include:
 - * a financial analysis; and
 - * an assessment of potential alliance opportunities with industry/business, other public agencies, and non-profits
- Oregon & California
 - Both states are also conducting economic studies on the Alternative Fuels Corridor concept that will be concluded later this year.

Alliance Opportunities

- Fort Lewis
- Transit Agencies
- Hydrogen Road Rally
- WSU
- Washington Department of Ecology
- Washington Department of Community Trade and Economic Development
- Puget Sound Clean Air Agency

Next Steps

- Report back to the Legislature on the economic analysis results.
- Continue to work with California, Oregon and British Columbia.

Questions?

If you have questions regarding the I-5/Highway 99
Alternative Fuels Corridor Project, please contact:

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